Supreme Court, U. S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1979

No. 79-1224

GENERAL FOOTWEAR COMPANY LIMITED,

and

UNIVERSAL CITY STUDIOS, INC.,

Petitioners,

against

AMERICAN FOOTWEAR CORPORATION,

Respondent.

PETITIONERS' REPLY

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The Respondent has, once again, misunderstood the nature of the Petitioners' argument. The Respondent seeks to argue that a descriptive non-trademark usage of a dictionary term in a television series is the operative fact upon which the instant action was decided by the Court below. Such, however, is clearly not the case.

As is noted in the Petition, the term "bionic" was an obscure, technical term found in only a few dictionaries until Universal created a new meaning for the term and used it as the nickname of the principal character in a television series and the subtitle for that series, "The Bionic Man", for the "The Six Million Dollar Man", and as part of the title of another series, "The Bionic Woman". Universal thus created the "television word" BIONIC, and,

by reason of the expenditure of millions of dollars in producing the show and in merchandising several dozen products capitalizing upon the theme and title of the show, gave the "television word" BIONIC a separate meaning and commercial value. It is the protection of this merchandising property right that Universal seeks to vindicate, not under the theories of trademark law, but under the theories of unfair competition.

The Court of Appeals specifically found (A, p. 14) that the Respondent intentionally capitalized upon the popularity and commercial value of the "television word" BIONIC by adopting it for marketing boots which were not designed for running. This finding is supported by the deposition testimony of Gary Evans contained in the appendix to the Petition and the adoption of American's first of two advertisements showing a woman in a running pose. This specific finding makes it clear that the Respondent's position that this case was decided on its facts is incorrect, and that it is the application of an erroneous legal principle to the acts of intentional capitalization which are presented for review by this Court.

The Respondent, moreover, engaged in only minimal trade advertising of its newly-named product and put neither time, effort, nor creativity into the naming of its boot, but merely purloined Universal's "television word" at no cost or expense to itself, a right for which others have paid millions of dollars. Respondent's position, clearly stated in its opposing brief, is that it was permitted to engage in a race to the trademark office and, since it allegedly won the race in connection with a particular product, to capitalize upon the efforts of the producer of two famous television series, each employing the BIONIC name, in popularizing and giving commercial value to the efforts of that producer's creativity.

Respondent essentially argues under its theory that if Walt Disney had failed to register "Mickey Mouse" in the

trademark office for a particular product, that another party could race to the trademark office, register "Mickey Mouse" for that product, and thereby preclude Walt Disney from using the term, and established exclusive rights in itself. Such a principle is immoral and clearly contrary to established principles of unfair competition. It has, of course, been established that principles of trademark law are complimentary to and do not supersede principles of unfair competition. Therefore, no trademark rights can attach to priority of use of a purloined mark, see, e.g., 3 Callman, *The Law of Unfair Competition, Trademarks and Monopolies*, § 76.1, p. 276, and cases cited therein.

Furthermore, Respondent's argument that there is no conflict between the Circuits misconstrues the basic nature of the claim made in the instant case. Respondent concedes that *Boston Professional Hockey Association, Inc.* v. *Dallas Cap & Emblem Mfg., Inc.*, 510 F. 2d 1004 (5th Cir. 1975), *cert. denied* 423 U.S. 868, stands for the proposition that likelihood of confusion can arise from the copying of actual trademark symbols of another. In the instant case, the Respondent purloined the "television word" BIONIC. Although it is believed that under the principles enunciated in *Boston* relief would have been accorded to the Petitioners in the Fifth Circuit, it is apparent that the Second Circuit disagreed with this position in denying relief in the instant case.

Conclusion

The importance of the issues presented has not been negated by Respondent's position, which misconceives the nature of the case. It is essential that this Court establish under developing principles of unfair competition the rights of the creator of a fanciful term, which through substantial expenditures of money has given the term great

prominence and commercial value, to exploit that term without interference from other parties. Accordingly, the Petition for a Writ of Certiorari should be granted.

Dated: March 11, 1980

Respectfully submitted,

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